

**PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

**Telecommunications Division  
Carrier Branch**

**RESOLUTION T-16907  
January 13, 2005**

**R E S O L U T I O N**

**Resolution T-16907. Verizon California, Inc. (U-1002-C). Request to  
Grandfather Wide Area Telecommunications Service.**

**By Advice Letter No. 10923 Filed on July 26, 2004.**

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**Summary**

This Resolution approves the request of Verizon California Inc. (Verizon) to grandfather Wide Area Telecommunications Service (WATS).

**Background**

By Advice Letter 10923 (Advice Letter), filed July 26, 2004, Verizon requests authority to grandfather WATS. WATS was established by the Bell System in 1961. WATS is a bulk long distance and toll service offered on an hourly basis. The rates per hour decline with larger quantities of time purchased. Since that time there have been many changes in telecommunications services.

The number of WATS customers has been declining. There are many alternatives available to WATS. WATS is \$35 per month and business customers can now receive Unlimited Local and Toll for business for \$25 per month. Consequently, Verizon is requesting that the service be grandfathered.

**Notice/Protests**

Verizon indicates that copies of the Advice Letter were mailed to interested utilities and/or parties. Notice of Advice Letter No. 10923 was published in the Commission Daily Calendar of July 30, 2004. No protests to this Advice Letter have been received.

Verizon sent each affected customer a notice explaining that the service would be grandfathered and that they could continue receiving the service until they move or discontinue service.

No customer comments were received for Verizon's proposal to grandfather WATS.

## **Discussion**

Verizon noticed that the number of WATS customers has been declining in recent years. According to Verizon, it is no longer cost-effective to maintain the offering of WATS for so few customers. There are currently many alternatives available.

By grandfathering this service, the existing customers will continue to receive the service, but the service will not be available to new customers after the effective date of the revised tariff. If the existing customer, subscribing to the service, moves or discontinues the service, then these offerings will no longer be available to the customer.

The Telecommunications Division (TD) recommends that the Commission approve the request of Verizon to grandfather WATS for the reasons stated above.

We find TD's recommendations to be reasonable.

Commission approval of TD's recommendations is based on the specifics of this Advice Letter and its associated tariff sheets, and does not establish a precedent for the contents of future filings or for Commission approval of similar requests.

## **Comments on DRAFT Resolution**

This is an uncontested matter in which the resolution grants the relief requested. Accordingly, pursuant to PU code Section 311(g) (2), the otherwise applicable 30-day period for public review and comment is being waived.

## **Findings**

1. Verizon is currently offering WATS.
2. Today, there are many alternatives to WATS in telecommunications markets.

3. The affected customers were notified that the service would be grandfathered and that they could continue to receive the service until they moved or discontinued the service. .
4. None of the customers protested or commented on the proposal to grandfather WATS.
5. After its review, TD recommends that the Commission approve Verizon's filing to grandfather WATS.

**THEREFORE, IT IS ORDERED** that:

1. Verizon California, Inc.'s Advice Letter No. 10923, requesting authority to grandfather WATS is granted.
2. The tariff sheets attached to Advice Letter 10923 shall be marked with the effective date of the grandfathering of WATS and indicate that that they were made effective by Resolution T-16907.

This Resolution is effective today.

I hereby certify that the Public Utilities Commission adopted this Resolution at its regular meeting on January 13, 2005. The following Commissioners approved it:

/s/ STEVE LARSON

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STEVE LARSON  
Executive Director

MICHAEL R. PEEVEY  
President  
GEOFFREY F. BROWN  
SUSAN P. KENNEDY  
Commissioners